(e) whether any decision has already been taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) Yes, Sir.

(b) The present value of RBI holding in NABARD is Rs. 1450 crores.

(c) RBI has suggested that based on Narasimham Committee Report, it would be appropriate that RBI should not own the institutions it regulates. This would enable RBI to concentrate more on its Regulatory and Supervisory functions.

(d) Yes, Sir.

(e) No, Sir.

Withdrawal of RBI equity in SBI

259. SHRI S. M. LALJAN BASHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Reserve Bank of India has decided to withdraw its equity in the State Bank of India;

(b) if so, the reasons therefor;

(c) whether Government have studied this proposal;

(d) whether it will be in the public interest to allow RBI to withdraw from holding equity in State Bank of India; and

(e) if so, the steps proposed to be taken to stop RBI from withdrawing from the ownership of State Bank of India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) and (d) Yes, Sir. RBI has proposed to transfer its holding in SBI to Government of India.

(b) RBI has suggested that based on Narasimham Committee Report, it would be appropriate that RBI should not own the institutions it regulates. This would enable RBI to concentrate more on its Regulatory and Supervisory functions.

(c) Yes, Sir.

(e) Does not arise.